



Panorama Labs Pty Ltd  
c/- Suite 3, 17 Foley Street,  
Balcatta Western Australia 6021

22<sup>nd</sup> May 2006

Mr James Kehoe  
Chief Executive Officer  
Panorama Labs Pty Ltd

Dear Jim,

**Re : Contract Extensions**

Following on from our recent telephone discussions, the Board has asked me to officially confirm that all service contracts will not be extended in their current form.

This advice should be construed as a formal advice in relation to any verbal or written contract that you believe exists between yourself and the Company.

The need for this notice is in part due to the fact that the Board has reservations regarding the validity of the various consultant contracts. It is also due to the review of the Company's future alternatives as regards hiring people as either employees or consultants.

A decision in this area will be made in the not too distant future.

As CEO, could you please formally advise the various other persons involved with Panorama Labs of the Boards position in relation to any contracts that they believe exist? This has a degree of urgency as the Board does not want anyone to believe that a failure to notify them of our intention, would in some way be construed as an extension of any contract.

Should you have any query with any of the above, please do not hesitate to contact me.

Yours Sincerely

John Athans  
Director